

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF ADMINISTRATION

INVESTMENT COMMITTEE

May 15, 2006

PLACE:

**Lincoln Plaza North
Auditorium
400 Q Street
Sacramento, California**

TIME:

- CLOSED SESSION 8:30 a.m.**
CHIEF INVESTMENT OFFICER'S BRIEFING ON MARKET
AND PERSONNEL ISSUES
(Government Code sections 11126(a)(1) and (c)(16))
- OPEN SESSION 9:00 a.m.**
- CLOSED SESSION 11:30 a.m. or upon adjournment or recessing of Open Session,
whichever is later**
Personnel and Investments Briefing, Russell Read, Incoming Chief
Investment Officer
(Government Code sections 11126(a)(1) and (c)(16))
- CLOSED SESSION Upon adjournment or recessing of Open Session**
(Government Code sections 11126(c)(16) and 11126(e)(2))

ROLL CALL:

Committee Members

Charles Valdes, Chair
George Diehr, Vice Chair
Philip Angelides
Marjorie Berte
Robert F. Carlson
Rob Feckner
Priya Mathur
Michael Navarro
Tony Oliveira
Mike Quevedo, Jr.
Kurato Shimada
Maeley L. Tom
Steve Westly

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INVESTMENT COMMITTEE

May 15, 2006

OPEN SESSION

- | | | |
|-------------|-----|--|
| | 1. | CALL TO ORDER AND ROLL CALL |
| Action | 2. | Approval of the April 17, 2006 Open Session Minutes |
| Information | 3. | Real Estate |
| Information | 4. | Alternative Investment Management (AIM) Program |
| Information | 5. | Global Equity |
| Action | | a. Emerging Market Manager Company Reports |
| Information | | b. Selection of International Developed and Emerging Market Equity Managers for Spring-Fed Pools |
| Information | | c. Update on Investments in Companies Doing Business in the Sudan |
| Information | | d. Corporate Governance Internal Staff Working Group Update |
| | | 1) Home Depot Executive Compensation Shareholder Proposal |
| | | 2) UnitedHealth Group - Update |
| Action | 6. | Global Fixed Income |
| Action | | a. External High Yield Manager Annual Review |
| | | b. Alpha Currency Initiative |
| Action | 7. | Total Fund |
| | | a. Executive Search Pool Budget Augmentation |
| Information | 8. | Legislation |
| | | a. AB 2941 (Koretz) – Sudan Divestment |
| Consent | 9. | Policy Subcommittee Report |
| Consent | | a. Real Estate Policy – Revision of Global Public Real Estate Equity Securities (Global PREES) |
| | | b. Alternative Investment Management (AIM) Policy – Revision of AIM Program to Revise Benchmarks |
| Consent | 10. | Chief Investment Officer's/Assistant Executive Officer's Report |
| Information | | a. Consolidated Investment Activity Report |
| | | b. Consultant Review of Fixed Income Unit Internal Currency Program |

Information

11. Draft Agenda for June 19, 2006
12. Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

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BOARD OF ADMINISTRATION

INVESTMENT COMMITTEE

May 15, 2006

CLOSED SESSION	Upon adjournment or recessing of Open Session (Government Code section 11126(c)(16)) (Government Code section 11126(e)(2) [Item 3 only])	
	1.	CALL TO ORDER AND ROLL CALL
Action	2.	Approval of the April 17, 2006 Executive Closed and Closed Session Minutes
Information	3.	Real Estate <ul style="list-style-type: none">a. R Street Subcommittee Report - Actual and Potential Litigation and Settlement – Headquarters Building<ul style="list-style-type: none">1) CalPERS v. City of Sacramento, et al. (Sacramento Superior Court No. 05AS04154)2) Other Potential Litigation and Settlement Matters
Information	4.	Alternative Investment Management (AIM) Program
Action	5.	Global Equity <ul style="list-style-type: none">a. Investment in Corporate Governance Fund
Action		b. Corporate Governance Executive Compensation Strategic Plan – UnitedHealth Group
Information		c. External Manager Update
Information	6.	Global Fixed Income <ul style="list-style-type: none">a. External Manager Update
Information	7.	Chief Investment Officer's/Assistant Executive Officer's Report <ul style="list-style-type: none">a. Status of Action Items Not Yet Reported
Consent	8.	Activity Reports <ul style="list-style-type: none">a. Alternative Investment Management Programb. Risk Managed Absolute Return Strategies Programc. Public Markets